



DEFENSE FINANCE AND ACCOUNTING SERVICE

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DEC 2 1998

DFAS-HQ/FMM

MEMORANDUM FOR DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
CLEVELAND CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
DENVER CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
INDIANAPOLIS CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
KANSAS CITY CENTER

SUBJECT: Change to the DoDFMR, Volume 7A, Regarding
Aviation Career Incentive Pay Rate Changes,
(DFAS Item H-40)

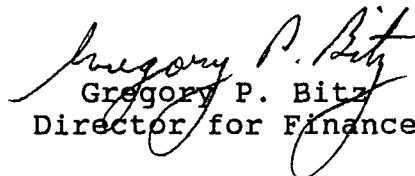
Attached is DFAS Interim Change 41-98 to Chapter 22 of the
DoDFMR, Volume 7A. It was effective October 17, 1998.

This change revises the criteria, longevity periods, and
rates affecting Aviation Career Incentive Pay. This change
implements the requirements of Section 615 of the FY 1999
National Defense Authorization Act

We have evaluated your comments on the draft proposal of
this change to the DoDFMR, Volume 7A. The attached final version
of the change incorporates your comments where appropriate.

Assignment of an interim change number is your authority to
start a procedural modification to facilitate this change. For
the Denver Center, use the attached to initiate the formal
printed change to the DoDFMR and the interim change message.

My point of contact, Mr. Gary McGee, may be contacted at DSN
332-5280 or at (703) 602-5280.


Gregory P. Bitz
Director for Finance

Attachment:
As stated

cc: DASD (MPP)(Comp)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons
DJMAS-PM

AVIATION CAREER INCENTIVE PAY RATE CHANGE

1. Replace the entirety of paragraph 220201A with the following:

A. Aviation career incentive pay (ACIP) shall be restricted to regular and reserve officers who hold, or are in training leading to an aeronautical rating or designation and who engage and remain in aviation service on a career basis. Entitlement to ACIP may be on a continuous or conditional (month to month) basis. Officers above pay grade O-6 with over 25 years of aviation service are not authorized ACIP, either continuous or conditional.

1. Continuous ACIP. Qualification for entitlement to continuous ACIP is earned by completing a prescribed minimum number of operational flying years before reaching a specific control or gate year of aviation service. The detailed requirements are described below. Entitlement to continuous ACIP ceases for an officer (other than a warrant officer) upon completion of 25 years of aviation service. Flight surgeons and other medical officers are not entitled to continuous ACIP.

a. An officer qualified for aviation service (except a flight surgeon or medical officer) is entitled to continuous ACIP starting when the officer enters flight training leading to the original rating or when appointed an officer, whichever is later, and continues until the officer completes 12 years of aviation service.

b. An officer qualified for aviation service (except a flight surgeon or other medical officer) who has performed at least 8 years of operational flying duty upon completion of 12 years of aviation service is entitled to continuous ACIP for the first 18 years of aviation service.

c. An officer qualified for aviation service (except a flight surgeon or other medical officer) who has performed at least 10, but less than 12 years, of operational flying duty upon completion of 18 years of aviation service is entitled to continuous ACIP for the first 22 years of aviation service.

d. An officer qualified for aviation service (except a flight surgeon or other medical officer) who has performed at least 12 years of operational flying duty upon completion of 18 years of aviation service is entitled to continuous ACIP for the first 25 years of aviation service.

e. The Secretary of the Military Service concerned may permit, on a case by case basis, an officer to continue to receive continuous monthly incentive pay despite the failure of the officer to perform the prescribed operational flying duty requirements during the prescribed periods of time, so long as the officer has performed those requirements for not less than 6 years of aviation service. The Secretary concerned may not delegate this approval authority.

2. Conditional ACIP. Qualification for entitlement to conditional ACIP is earned by completing a prescribed minimum number of operational and/or proficiency flying hours per month. The detailed flying hour requirements are described in paragraph 220203. Flight surgeons and other medical officers who have an aeronautical rating or designation and are qualified for aviation service, as well as other aviation officers who do not qualify for continuous ACIP because of missed gate year requirements or aviation duty in excess of 25 years, may qualify for entitlement to conditional ACIP.

2. Replace the entirety of paragraph 220202A with the following:

A. Rates. The rates for continuous and conditional ACIP are the same and are listed in table 22-6.

1. Warrant officers qualified for either continuous or conditional ACIP will continue to receive the rate prescribed for officers with over 14 years of aviation service, without reduction, when aviation service exceeds 22 years.

2. An officer in pay grade O-7 may not be paid ACIP at a rate greater than \$200 per month. An officer in pay grade O-8 or above may not be paid ACIP at a rate greater than \$206 per month. An officer above pay grade O-6 with over 25 years of aviation service may not be paid ACIP, either continuous or conditional.

3. In time of war, the President may suspend the payment of aviation career incentive pay.

3. Replace subparagraph 220202.B.2. with the following:

2. Aviation service. Aviation service means service performed by an officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical

rating or designation. For the purposes of table 22-6, aviation service as an officer begins on the day, month, and year the officer first reports under competent flight orders to the aviation facility having aircraft in which the officer receives flight training leading to the award of an aeronautical rating or designation, and continues to accumulate from that date without exceptions as long as the flight rating remains in effect.

4. Replace subparagraph 220202.B.4. with the following:

Proficiency flying. Proficiency flying is flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

5. Replace table 22-6 with the following:

MONTHLY AVIATION CAREER INCENTIVE PAY RATES (EFFECTIVE 17 OCT 1998)-ALL OFFICERS (Notes)	
Years of Aviation Service (Including Flight Training) as an Officer	Monthly Rate
2 or less.....	\$125
Over 2	\$156
Over 3	\$188
Over 4	\$206
Over 6	\$650
Over 14	\$840
Over 22	\$585
Over 23	\$495
Over 24	\$385
Over 25	\$250

NOTES

1. A rated officer in pay grade O-7 may not be paid incentive pay at a rate greater than \$200 per month.
2. A rated officer in pay grade O-8 or above may not be paid incentive pay at a rate greater than \$206 per month.
3. A rated officer in pay grade above O-6 may not be paid incentive pay after completion of 25 years of aviation service.
4. A rated warrant officer with over 22, 23, 24, or 25 years of aviation service, will continue to receive the rate prescribed for officers with over 14 years of aviation service.

5. Delete existing table 22-7 and list the table as "Not Used" on the chapter page and in the index.

6. In the Bibliography under Chapter 22, Section 2202:

a. Add Public Law 105-261, Section 615, 17 Oct 1998 to the citation for paragraphs 220201 and 220202.

b. Delete the citation for and reference to paragraph 220201A6.